

## Rules of the Vested Benefits Foundation of Zuger Kantonalbank

### Art. 1 Purpose

The Foundation maintains tied (restricted) vested benefits accounts with Zuger Kantonalbank (hereinafter «Bank») which are legally recognised as a form of retirement savings and into which vested benefits can be paid. The present Rules define the contractual relationship between the account holder and the Foundation with regard to the vested benefits account within the framework of the relevant legal provisions.

### Art. 2 Opening, deposits

The vested benefits account is in the name of the account holder. The latter must submit the application to open the account. Only vested benefits from tax-exempt retirement savings or vested benefits institutions may be paid into the vested benefits account. The retirement savings institution may transfer the dissolution benefits to a maximum of two different vested benefits institutions. The account holder must provide the Foundation with the necessary information regarding the composition of the deposits.

### Art. 3 Account, interest

With the vested benefits account in the form of the pure savings solution, the amount of the retirement savings corresponds to the contributed dissolution benefits with interest; with the vested benefits account in the form of the investment-linked savings solution (securities savings), it corresponds to the current value of the investment. Management costs can be deducted if this has been agreed in writing. The interest from the savings solution as well as the income and losses from securities savings are credited proportionally to old age savings and the other retirement savings. The interest rate at which interest accrues on the retirement savings assets is determined by the Foundation Board. The interest rate is based on market conditions, whereby no negative interest is charged. The interest rate or changes thereto shall be notified to the account holders in an appropriate manner. Interest is credited annually on 31 December and continues to accrue interest with the capital. The Foundation shall prepare an account statement annually for the attention of the account holder.

The dissolution benefits awarded to the account holder in the event of divorce together with the vested benefits savings and the pension portions awarded to him by the court in accordance with Art.

124a of the Swiss Civil Code are credited to his vested benefits account.

### Art. 4 Investments in securities

As soon as the balance of the individual retirement savings account exceeds the threshold determined by the Foundation from time to time, the account holder may instruct the Foundation to purchase and sell, within the limits of the exceeding amount, at the account holder's risk, securities offered by the Foundation in accordance with the applicable administrative investment guidelines, by debiting and crediting his vested benefits account. The investments and the revenue generated by these investments form part of the account holder's individual tied (restricted) retirement savings. The Foundation accepts no responsibility for the performance of the investments selected by the account holder. Any exchange losses are borne by the account holder. Account holders who are US

persons (i.e., anyone with US nationality, US domicile or tax liability in the USA) may not make securities investments. If the Vested Benefits Foundation learns that an account holder is a US person and holds securities, it will instruct him to sell these securities within 30 days. If the sale does not take place by this deadline, the Vested Benefits Foundation will issue the sale instruction and credit the balance to the respective retirement savings account. The Foundation Board determines the custody fees and records the fees and expenses incurred in connection with the purchase and sale of securities in fees regulations. Apart from this, Art. 11 applies.

### Art. 5 Maintenance of retirement savings protection

Paid-in vested benefits cannot be withdrawn until the occurrence of a dissolution reasons set forth in these Rules. A disposal of the retirement savings, in particular also an assignment or a pledge, is void before maturity. Statutory provisions remain reserved.

### Art. 6 Ordinary dissolution

The vested benefits account will be dissolved ordinarily:

- a) at the time when the account holder reaches the reference age pursuant to art. 13 BVG, or
- b) at the time of his death if this occurs prior to the reference age.

However, the account holder has the right to request the dissolution of the vested benefits account not earlier than five years before reaching the reference age.

### Art. 7 Advance dissolution

The vested benefits account will be dissolved in advance in the following events and within the framework of the legal requirements:

- a) pursuant to art. 4 para. 2bis of the Vested Benefits Ordinance if the account holder:
  - joins a new retirement savings institution. In this case, the Foundation mandatorily transfers the entire retirement savings to the new retirement savings institution. The account holder notifies the Foundation of the joining of the new retirement savings institution and the new retirement savings institution of the necessary information about the Foundation and the form of retirement savings protection.
  - changes the vested benefits institution or the form of maintaining the retirement savings protection. This change is possible at any time. In the first case, the Foundation transfers the entire retirement savings to the new vested benefits institution;
- b) if the account holder receives a full disability pension from the federal disability insurance and the risk of disability is not insured as supplement to the vested benefits account (art. 10 and 16 FZV);
- c) if the account holder becomes self-employed as his/her primary source of income and is no longer subject to the compulsory insurance under BVG;
- d) if the account holder permanently leaves Switzerland as place of residence, in which case a cash disbursement of the dissolution benefits will only be possible subject to the limitations of art. 25f FZV);

Furthermore, the retirement capital can be withdrawn early, either in full or in part, up to the legally stipulated maximum or pledged for:

- a) the acquisition, construction, redevelopment or renovation of residential property for own use;
- b) shareholdings in residential property for own use;
- c) repayment of a mortgage loan on residential property for own use.

An advance withdrawal of this type may be made every five years. The advance withdrawal and pledge are based on the statutory provisions.

#### **Art. 8 Beneficiaries upon the death of the account holder**

If the account holder dies, the following persons shall be deemed to be beneficiaries in the below order:

- a) the surviving persons pursuant to art. 19, 19a and 20 BVG;
- b) natural persons who were largely supported by the account holder, or the person who was living with the account holder in a permanent domestic relationship for the last five years prior to the account holder's death, or who is responsible for the support of one or more common children;
- c) the children of the account holder not meeting the prerequisites of art. 20 BVG, the parents or the siblings;
- d) the other statutory heirs with the exception of public-law heirs.

The account holder has the right, by written notification to the Foundation, to specify the claims of the beneficiaries in more detail and to extend the category of persons pursuant to paragraph 1 lit. a) to persons pursuant to lit. b).

The account holder must notify the Foundation of the supported persons, beneficial life partners and common children of whose maintenance he took care. If he fails to do so, the Foundation will assume that there are none. In any event, the Foundation will not actively search for these persons. In addition, the beneficiary partner must provide written evidence that domestic relationship permanently existed for the last five years.

Should the claims of the beneficiaries not be specified in more detail, the division in case of multiple beneficiaries of the same category shall be made in equal parts per head.

If the beneficiary deliberately caused the death of the account holder, the Foundation will refuse to pay the assets out to the beneficiary. The available benefits will then be allocated to the next beneficiary pursuant to the written notification of the account holder or to paragraph 1 of this Article.

#### **Art. 9 Maturity and disbursement**

The retirement savings mature upon occurrence of a dissolution reason pursuant to art. 6 and 7. The account holder may defer the disbursement of the retirement savings for a maximum of five years after reaching the reference age pursuant to art. 16 para. 1 of the Vested Benefits Ordinance if he/she can prove that he/she is still earning. The account holder must inform the Foundation without delay if he/she ceases to work. For account holders born in 1964 or earlier, payment without employment may be deferred until 31 December 2029, but no more than five years beyond reaching the reference age. At maturity, the account holder or the beneficiaries pursuant to art. 8 must provide evidence of the dissolution reason. Should the account holder be married or live in a registered partnership, the disbursement of the retirement savings will only be permitted with the written consent of the spouse or registered partner. Such a consent is also required if the savings will be used

for the owner-occupied residential property. The account holder or the beneficiaries have to inform the Bank on time where to transfer the savings.

#### **Art. 10 Transfer to the BVG Guarantee Fund**

If the Foundation does not have any clear instructions from the beneficiary or beneficiaries regarding payout of the assets or if the beneficiaries are not unequivocally known to the Foundation, the assets will be transferred to the BVG Guarantee Fund after a period of 10 years as of the reference age, pursuant to art. 13 BVG.

#### **Art. 11 Fees**

The Foundation is entitled to charge the account holder management and administration fees and to amend, supplement or terminate them at any time. These fees will be determined by the Foundation Board and documented in fees regulations. The account holder will be notified of the level of fees and any amendment thereof in an appropriate manner.

#### **Art. 12 Verification of signatures and legitimation**

The identity of the account holder is verified on the basis of his signature. Prior to making disbursements, the Foundation is entitled to carry out comprehensive investigations and to request from the account holder or from beneficiaries documents to verify legitimation and disbursement conditions.

#### **Art. 13 Data of the account holder**

The Foundation is liable to the account holder and the beneficiary for customary business diligence, insofar as these persons have complied with their statutory, contractual and regulatory obligations.

#### **Art. 14 Reporting obligations of the Foundation**

The Foundation shall comply with Swiss documentation and information requirements. Any further documentation or disclosure requirements possibly imposed by foreign authorities only apply to the respective account holders, and the Foundation will accept no liability and provide no services in this respect.

#### **Art. 15 Statements for account holders**

The Foundation shall send the account holder an annual statement of assets. Depending on the investment, the statement of assets may provide information about the investments made, the turnover and the revenues.

#### **Art. 16 Tax reporting obligation**

The Foundation is obliged to report any vested benefits savings payments to the tax authorities to the extent required by law or by federal or cantonal administrative orders. In case of objection against this reporting, the withholding tax deduction determined by the tax authority will be made. If the account holder is resident abroad at the time of making a dissolution request, the Foundation is obliged to deduct withholding tax.

#### **Art. 17 Data of the account holder**

The account holder agrees that the Foundation, the Bank and mandated third parties will obtain knowledge of his data to the extent necessary for the fulfilment of their tasks. The account holder also agrees that the Bank may process the data, of which it has obtained knowledge within the scope of the tasks assigned to it under the retirements savings agreement, for its own purposes. Furthermore, the account holder acknowledges that the Foundation may

be required by law to provide information to third parties entitled to it.

**Art. 18 Changes of address, notifications, change of status**

The account holder shall immediately notify the Foundation in writing of any changes of his address and personal details, in particular, his marital status. Furthermore, the account holder shall notify the Foundation of any changes of status, in particular, of the qualification as US person. The Foundation does not assume any responsibility for any consequences of insufficient or delayed notification of the address, the personal details or any relevant change of status.

Notifications of the Foundation to the account holder are deemed to have been validly given if they are sent to the last known address of the account holder.

Written notifications to the Foundation are to be addressed to:

Vested Benefits Foundation  
of Zuger Kantonalbank  
c/o Zuger Kantonalbank  
Bahnhofstrasse 1 P.O. Box  
6301 Zug

**Art. 19 Place of performance and jurisdiction**

The place of jurisdiction shall be determined in accordance with mandatory statutory provisions. In case no such provisions apply, the exclusive place of jurisdiction for all types of proceedings as well as the place of performance and the place of debt collection shall be Zug. The Foundation is entitled, however, to take legal action against the account holder before any other competent court.

**Art. 20 Entry into force, amendments to these Rules**

These Rules shall take effect on January 1<sup>st</sup> 2024 and replace the previous rules of the Vested Benefits Foundation of Zuger Kantonalbank from June 2019. Mandatory provisions of statutes and ordinances prevail over contradictory provisions of these Rules and the retirement savings agreement. Amendments of the applicable statutory provisions on which these Rules are based are reserved and will also apply to these Rules as from their entry into force.

The statutory provisions apply to cases for which these Rules do not contain any provisions.

The Foundation reserves the right to amend these Rules at any time.

The account holder will be notified of any amendments.

Amendments based on applicable law or administrative orders are legally effective immediately. Other amendments shall become binding on the account holder if he has not exercised his right of advance dissolution by way of change of the institution or the form of maintaining the retirement benefit protection within three months upon notification.

Zug, December 2023

The Foundation Board